

SLOVER & LOFTUS LLP

ATTORNEYS AT LAW

1224 SEVENTEENTH STREET, N.W.
WASHINGTON, D.C. 20036-3003

WILLIAM L. SLOVER
C. MICHAEL LOFTUS
JOHN H. LE SEUR
KELVIN J. DOWD
ROBERT D. ROSENBERG
CHRISTOPHER A. MILLS
FRANK J. PERGOLIZZI
ANDREW B. KOLESAR III
PETER A. PFOHL
DANIEL M. JAFFE
STEPHANIE F. LYONS
JOSHUA M. HOFFMAN

OF COUNSEL
DONALD G. AVERY

TELEPHONE
(202) 347-7170

FAX
(202) 347-8619

WRITER'S E-MAIL:
dga@sloverandloftus.com

April 13, 2009

BY E-FILEING

The Honorable Anne K. Quinlan
Acting Secretary
Surface Transportation Board
395 E St., S.W.
Washington, DC 20024

ENTERED
Office of Proceedings

APR 13 2009

Part of
Public Record

2248fo

Re. STB Docket No. AB-33 (Sub-No. 261), Union Pacific Railroad Company -
Abandonment - In New Madrid, Scott, and Stoddard Counties,
Missouri (Essex to Miner Line)


Dear Ms. Quinlan:

Submitted herewith for filing in the captioned proceeding, in accordance with 49 C.F.R. §1152.25(a) and the Notice published in the *Federal Register* on March 19, 2009 (74 Fed.Reg. 11809), please find the Comments and Protest of Tetra Pak, Inc. against the proposed abandonment.

Copies of this pleading are being served upon Gabriel S. Meyer, Esq., attorney of record for the Applicant, and upon all other parties on the official service list in this proceeding.

Thank you for your cooperation in this matter.

Sincerely,


Donald G. Avery
An attorney for Tetra Pak, Inc.

cc: Parties of Record

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

Union Pacific Railroad Company-)	
Abandonment - In New Madrid,)	Docket No AB-33 (Sub-No 261)
Scott, and Stoddard Counties,)	
Missouri)	
)	

**COMMENTS AND PROTEST
OF TETRA PAK INC.**

Tetra Pak Inc ("Tetra Pak"), through its undersigned attorneys, respectfully submits its Comments on, and Protest of, the subject abandonment application of *Union Pacific Railroad Company ("UP")*

As explained in the Verified Statement of James E McClain submitted herewith, Tetra Pak is a multi-national company engaged in the manufacturing of containers for various products, including the paperboard cartons used for milk. Tetra Pak owns and operates manufacturing plants at several locations within the United States, including a milk carton manufacturing plant in Sikeston, MO, which employs approximately 140 people

Mr McClain's verified statement makes it clear that Tetra Pak's Sikeston plant is dependent on railroad service for the delivery of the paperboard it requires for its operations. As UP's application confirms (Application at Appendix E, Verified Statement of Todd Whitman, at 1), UP - which is the only railroad presently capable of providing rail service to the plant - delivers about 200 carloads of paperboard per year from various suppliers via the very railroad line

that it is now proposing to abandon. If UP is allowed to abandon the line and remove the tracks, Tetra Pak will be forced either to substitute truck deliveries for the rail deliveries it currently receives, or to close the plant

The Sikeston plant is currently configured to handle *outbound* shipments of its products by truck, but it would require extensive and expensive modifications before it could also handle truck deliveries of all the paperboard it consumes each year. Additionally, because motor carriage of bulk commodities such as paperboard in substantial volumes is almost always more costly than rail transportation (except for very short distances), it should come as no surprise that according to Mr. McClain, replacing rail deliveries with 100% truck deliveries would substantially increase the transportation costs Tetra Pak incurs at its Sikeston facilities by as much as several hundred thousand dollars per annum. These added costs, he states, would put the Sikeston plant at a substantial cost and competitive disadvantage vis-à-vis other, similar facilities that will still enjoy rail service.

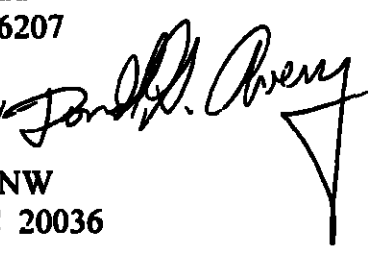
Tetra Pak is sympathetic to UP's complaint that it is losing money operating the rail line at issue, due largely to the low levels of traffic on the line, and that UP foresees no likelihood of an increase in traffic levels in the foreseeable future. Tetra Pak also understands that the Board is unlikely to require UP to continue operating the line indefinitely at a substantial loss. Tetra Pak is actively exploring other options for preserving its access to rail service in Sikeston, including the replacement of UP service with service from the BNSF Railway.

Company ("BNSF"), which also operates over a line running through Sikeston but cannot presently reach and serve Tetra Pak.

While Tetra Pak is seeking alternatives for the provision of railroad service to Tetra Pak's facility following any UP abandonment, Tetra Pak respectfully urges the Board to keep the needs of rail-dependent customers such as Tetra Pak, and communities such as Sikeston, and the substantial adverse effects that the loss of UP rail service could have on them, in mind as it considers UP's application.

Respectfully submitted,

James E. McClain
Vice President & General Counsel
Tetra Pak Inc.
3300 Airport Road
Denton, Texas 76207

Donald G. Avery 
Slover & Loftus
1224 17th Street NW
Washington, DC 20036
(202) 347-7170

Of Counsel:

Slover & Loftus
1224 17th Street NW
Washington, DC 20036

April 13, 2009

Attorneys for Protestant
Tetra Pak Inc.

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

<hr/> Union Pacific Railroad Company- Abandonment - In New Madrid, Scott, and Stoddard Counties, Missouri))))))	<hr/> Docket No. AB-33 (Sub-No 261) <hr/>
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**VERIFIED STATEMENT OF
James E. McClain**

My name is James E. McClain, and my business address is 3300 Airport Road, Denton, Texas 76207. I have been an employee of Tetra Pak Inc for more than ten years, and am presently Vice President & General Counsel. In that capacity I am familiar with the transportation requirements of Tetra Pak's facility in Sikeston, MO, and the importance of rail service to the continued operation of that facility.

Tetra Pak is a multi-national company engaged in the business of producing packaging materials for many different products, including the paperboard cartons widely used for milk and milk products. Our Sikeston plant, in particular, receives inbound shipments of paperboard from its suppliers by rail, with deliveries made by Union Pacific Railroad Company ("UP"), the only railroad presently capable of serving our plant. That raw paperboard is then converted into milk cartons that are shipped out by truck to Tetra Pak's customers.

I understand that UP has asked the Surface Transportation Board for permission to abandon service over the rail line it uses to serve our Sikeston plant.

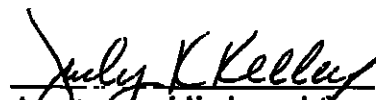
If its request is granted and rail service ceases to be available to our plant, the adverse impact on Tetra Pak's Sikeston operations would be significant. The Sikeston plant is not designed to handle truck deliveries of the quantities of paperboard it requires, in addition to handling its outbound shipments, so the Sikeston facility's truck docks would require substantial expansion. Moreover, a comparison of prevailing rail and motor carrier rates for shipments from our paperboard suppliers and Sikeston indicates that our *annual* transportation costs would increase by several hundred thousand dollars. This would put the Sikeston plant at a significant cost disadvantage compared to other plants engaged in the same business.

VERIFICATION

James E. McClain, being duly sworn, deposes and says that he has read the foregoing statement, knows the contents thereof, and that the same are true as stated.


James E. McClain

Subscribed and sworn to before me
this 13 day of April, 2009

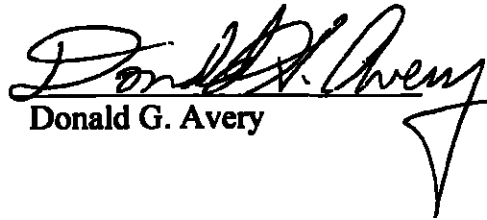

A notary public in and for
the State of Texas.

My commission expires 2/28/2013



Certificate of Service

I hereby certify that I have this 13th day of April, 2009, caused a copy of the foregoing Comments and Protest of Tetra Pak, Inc. to be served upon the attorney for Applicant and all other parties of record in the captioned proceeding.


Donald G. Avery